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Chairman: Mr. DINU (Romania)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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* Items considered together.

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The meeting was called to order at 10.35 a.m.

AGENDA ITEM 103: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued)

AGENDA ITEM 104: PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Revised estimates as requested by the General Assembly in resolution 47/212 (continued) (A/C.5/47/88 and A/47/7/Add.15; A/C.5/47/92)

1. Mr. DADZIE (Special Adviser and Delegate of the Secretary-General) said that the Secretary-General, who attached the greatest importance to dialogue with Member States on the restructuring process, had on many occasions shared his views and plans with them: through his participation in the high-level debate in the Economic and Social Council, his report on the work of the Organization and his statements to the plenary General Assembly and the Fifth Committee, and in consultations with many delegations. His purpose had been to explain his approach as restructuring took shape, to stimulate reflection and to elicit the reactions of Member States. He (Mr. Dadzie) would recapitulate the main clarifications provided by the Secretary-General during informal consultations concerning the principles and practical modalities of the reorganization.

2. The Secretary-General believed that the United Nations should accord the same importance to its activities and responsibilities in the economic and social sectors as to those in the political and security area. In that respect, it should, in accordance with the guidelines offered by intergovernmental bodies and under the leadership of the Economic and Social Council, take full advantage of its coordinating capacity and its intersectoral capabilities and place all its operational capabilities at the service of its policy objectives, seeking to ensure that its various areas of activity supported and reinforced each other.

3. That vision required the streamlining of the relevant intergovernmental machinery and a dynamic and well-organized Secretariat, with a clear chain of command, which could attract high-quality staff - and would therefore be better prepared to promote dialogue and cooperation with other institutions in the economic, social and environmental fields.

4. The Member States expected the Secretariat to provide information, ideas and practical advice to assist them in formulating their strategies and they hoped to derive more benefit from the impact of its operational activities. One of the key objectives of reorganization was therefore to reverse the trend towards fragmentation and compartmentalization, which only led to waste and inefficiency, by regrouping activities of a similar nature under a unified leadership. In that spirit, drawing on the work carried out by the high-level Panel of Independent Advisers which he had established to assist him, the Secretary-General had envisaged three clusters of functions and entrusted each of them to a new department: first, substantive support for policy-making and coordination, following up the implementation of Agenda 21 and support for the Commission on Sustainable Development; second, data collection and development and policy analysis; and, lastly, technical cooperation, which would be carried out from Headquarters.

(Mr. Dadzie)

5. The Secretary-General had decided to establish the three new departments in December 1992; their terms of reference were set forth in his report (A/C.5/47/88). In line with the General Assembly's desire for an integrated approach to economic and social issues, responsibility for all those questions, and for policy formulation, was entrusted to the Department for Policy Coordination and Sustainable Development. That Department was also responsible for coordinating the implementation of strategies and programmes within its purview, particularly the ambitious projects relating to Africa and the least developed countries, which went well beyond technical cooperation and required action by various United Nations entities. That responsibility would be entrusted to a specific unit within the Department, which would be strengthened for the purpose.

6. With regard to the Department of Economic and Social Information and Policy Analysis, it should be noted that its research on economic policies, the role of the public and private sectors, market mechanisms and the promotion of entrepreneurial initiative and competitiveness would focus, not on advocating particular models, but rather on providing Governments with a comparative analysis of national experiences which might assist them in their decision-making.

7. The Department of Development Support and Management Services was responsible, inter alia, for technical cooperation activities. The emphasis was placed on assistance to the least developed countries and to economies in transition, in accordance with certain recent resolutions, but the determination of priorities would clearly continue to be the prerogative of Governments. The incorporation of the Office for Project Services into the Department was intended to respond to concerns about the compatibility of its functions with the primary purpose of UNDP and to enable it to operate efficiently and in a cost-effective and autonomous manner.

8. There must, of course, be effective coordination among the new Departments and between them and other entities away from Headquarters. The Secretary-General fully recognized that imperative, and would draw primarily on the Department for Policy Coordination and Sustainable Development. He intended to establish a number of internal coordination mechanisms over which he himself would preside as necessary: meetings of heads of the new Departments, for example, and meetings, at key phases of the programme planning process, of all the entities concerned. He would also maintain the existing system of meetings involving the executive secretaries of the regional commissions, as well as coordination meetings, prior to meetings of the Administrative Committee on Coordination, with the heads of departments and programmes.

9. The activities and programmes related to science and technology and to transnational corporations were chief among those affected by the reallocation of responsibilities between the departments based in New York and entities away from Headquarters. With regard to the redeployment of those activities to the United Nations Conference on Trade and Development (UNCTAD), the Secretary-General confirmed that the critical mass of capacities for research and analysis and for technical cooperation would be maintained intact, and, indeed, that the two Commissions concerned, as well as the Trade and Development Board, would benefit from the redeployment.

(Mr. Dadzie)

10. The question of decentralization to the regional commissions had also been the subject of comment. The Secretary-General had in mind a more effective distribution of responsibilities between global and regional entities which would take full account of the characteristics of each. The decentralization process would therefore be pursued in a pragmatic manner, taking into account the requirements of each Commission and such criteria as cost-effectiveness and the availability of specific expertise, information and multi-sectoral disciplines.

11. It might be useful to clarify the Secretary-General's approach regarding United Nations representation at the country level and the role of resident coordinators. The Secretary-General's objectives were to integrate, at the country level, the various programmes coming under his direct authority, without compromising their distinctiveness, and to strengthen the role of the resident coordinator in support of the development goals of the country concerned. That approach accorded with the views developed by the General Assembly in resolution 47/199, which would guide the Secretary-General in the further evolution and application of his thinking.

12. Finally, as regards the economic and social sectors, he wished to answer the question frequently raised as to the time-frame for the restructuring. Aware of the disturbances which that type of operation inevitably caused, the Secretary-General had no intention of prolonging the process. He did, however, indicate that both decentralization and incorporation of the Office for Project Services in the Department of Development Support and Management Services required decisions of legislative bodies which could not be taken until the end of the year.

13. An effective Department of Administration and Management was a sine qua non for the effective functioning of the Organization. Analysis of tasks to be accomplished and of their interrelationships had allowed the Secretary-General to focus on a clear set of objectives. There was a need to rethink administration and management in order to make then tools that would be more transparent, flexible and accountable to the Secretariat itself and to the Member States. That assumed a consolidation of related activities within a single department to deal rationally with all budgetary, personnel, general service, and conference servicing issues. In that area, as in all others, the objective was a more rational use of resources designed to ensure improved performance and, concomitantly, to enhance the quality of the services.

14. Administration and management of peace-keeping operations were becoming increasingly complex with each Security Council resolution, as the Secretary-General was acutely aware. He was currently taking steps to strengthen the Organization's capability in that regard. The results of those measures and of any additional improvement in the functioning of the Department of Administration and Management would be reflected in the proposed programme budget for the biennium 1994-1995.

15. The Secretary-General had stated, in particular in the Fifth Committee, his commitment to doing everything in his power to strengthen the international civil service. Since the independence of the international civil service depended on a clear differentiation between political and career appointments, he was studying the possibility of introducing a D-3 level. In the light of

consultations and an analysis he had requested from outside experts, he planned, as his report indicated, to submit to the General Assembly, in due course, a formal proposal naturally taking into account the views expressed by the Advisory Committee and the Member States.

16. The CHAIRMAN drew the attention of the members of the Committee to the letter of 29 March 1993 which the Chairman of the Committee on Conferences had addressed to the Chairman of the Fifth Committee (A/C.5/47/92).

17. Mr. McKINNON (New Zealand), speaking on behalf of Australia, Canada and New Zealand, welcomed the efforts of the Secretary-General to reconfigure the social and economic sectors of the Secretariat as a means of improving the quality of services to the Member States. Just as the Secretary-General, as Chief Administrative Officer of the Organization, was responsible for proposing cost-effective ways of restructuring the Secretariat, so the General Assembly was responsible for establishing the budget and programming the activities of the Organization. Regrettably, the information presented in document A/C.5/47/88 did not permit a full analysis of the financial and programmatic impact of the restructuring proposals and, specifically, an evaluation of the "global" allocation of resources among and within departments.

18. The three delegations were pleased to see that the downward revision of the budget appropriation for the 1992-1993 biennium reflected a reduction of $263,400 and that it had been possible to finance costs of over $1.5 million relating to UNCED follow-up without recourse to the Contingency Fund. They also noted that any further duplications and redundancies among the various units of the Secretariat would be eliminated in the context of the planning and preparation of the proposed programme budget for the biennium 1994-1995. For this, a precise outline of new administrative structures and corresponding resources would be needed. If, as the Advisory Committee had recommended, the Secretary-General produced an overall restructuring plan outlining specific measures to be taken in the context of a time-frame, the Member States would be better able to evaluate proposed changes to the administrative and management structures of the Secretariat.

19. That being said, and conditional upon the following observations, the three delegations were ready to approve the revised appropriation of $2,467,775,800 and the corresponding resource transfers between budget sections during implementation of the second phase of Secretariat restructuring.

20. The new Department for Policy Coordination and Sustainable Development, entrusted with tasks relating to policy development and coordination of substantive services for central intergovernmental bodies, should specifically ensure the implementation of the new mandates entrusted to the Organization including preparations for the World Summit for Social Development, the Fourth World Conference on Women and UNCED follow-up. In addition to providing secretariat services to the two Intergovernmental Negotiating Committees on climate change and desertification and to the Global Conference on the Sustainable Development of Small-island Developing States, in resolution 47/191 the General Assembly had called for creation in that Department of a "clearly identifiable ... secretariat," responsible for monitoring the implementation of Agenda 21 and providing support services to the Commission on Sustainable Development. In the context of the 1994-1995 programme budget it would be

(Mr. McKinnon, New Zealand)

necessary also to ensure adequate resources for other tasks mandated at UNCED, including the area of the law of the sea.

21. The creation of the Department of Development Support and Management Services should enhance the capacity of the United Nations to respond rapidly to the needs of developing countries. The three delegations welcomed the Secretary-General's assurance that he intended to maintain, in the context of future arrangements, the current efficiency and autonomous character of the UNDP Office for Project Services. For the near future, as a means of improving liaison between the Secretariat and delegations, it would be desirable for the latter to receive shortly an organizational chart of the three new Departments identifying relevant contact points.

22. With regard to the Department of Administration and Management, the three delegations supported the Secretary-General's proposal to create a limited number of D-3 posts equivalent in salary and entitlements to posts of Assistant Secretary-General. He deemed it particularly appropriate for the posts of the most senior officials of that Department, who were called on to implement key budget and human resource decisions and entrusted with responsibilities as important as those of senior officials in other departments to be graded at that level. None the less, the reduction in the number of high-level posts was meant to reduce fragmentation in the Department and to enhance managerial responsibility. The three delegations therefore shared the concern of the Advisory Committee that it would be difficult to prevent a proliferation of D-3 posts. It would be advisable to defer the issue until the International Civil Service Commission had been able to examine it further.

23. With respect to the proposed transfer of the Field Operations Division from the Office of General Services to the Office of the Under-Secretary-General, the three delegations believed that such a transfer might enhance the managerial capacity of the Under-Secretary-General. More generally, they endorsed the Advisory Committee's view that the question of the transfer should be reviewed in a broader context in order to take into account the Division's interaction with the financial and political aspects of peace-keeping operations. The three delegations had emphasized repeatedly the need for an overhaul of the Secretariat infrastructure and procedures to improve the operational response of the United Nations in the area of peace-keeping, and hoped that the report requested in section B of the ONUMOZ resolution might serve as a starting-point for further action in that regard.

24. With respect to the transfer of functions and posts to and from Headquarters, it should be borne in mind that the central objective of the reform exercise was improved support to Member States, including better and more integrated services to intergovernmental bodies; it was also important to keep in mind that aspects of the reform process, (decentralization, regionalization, and enhanced field presence) had still to be addressed. Against that background, the three delegations would wish to examine issues relating to the United Nations Office at Vienna.

25. Mr. BREITENSTEIN (Finland), speaking on behalf of the Nordic countries, said that the United Nations had two basic functions of equal importance, the maintenance of international peace and security, and the promotion of economic and social development in the broadest sense, including respect for human rights. The Nordic countries wished to express their general support for the proposals made and the steps taken so far by the Secretary-General in his capacity as chief executive to reform the economic and social sectors by creating more manageable departments.

26. The Nordic countries had participated actively in the discussion about the reform process. In the area of operational activities for development, they had emphasized the need for a more precise division of responsibilities between the Secretariat and the various funds and programmes. They therefore had reservations about the transfer of the UNDP Office for Projects Services (OPS) to the new Department of Development Support and Management Services. They looked forward to the detailed report requested by the Advisory Committee on the modalities of the proposed transfer.

27. It was the task of the Secretariat to make recommendations for the normative functions of the United Nations in the economic and social fields. Operational functions should be performed by other bodies such as the funds and programmes of the United Nations system, with the support of the specialized agencies. The Nordic countries therefore believed that the implications of transferring OPS should be studied carefully in the larger context of the reform of the economic and social activities of the United Nations system, including the roles and mandates of the United Nations Secretariat and the funds and programmes in question.

28. Since the activities of OPS were funded by voluntary contributions, 50 per cent of which came from outside the United Nations system, the Nordic countries believed it was necessary to identify clearly the financial implications of the transfer. The consequences of the transfer for UNDP itself should be taken into account as well. That was an issue that would also have to be considered by the UNDP Governing Council.

29. The Secretary-General had indicated in his report that several conditions must be met in order to maintain the competitiveness and relative strengths of OPS. One of those conditions concerned the provision to OPS by UNDP of central services, which should be provided by the United Nations instead.

30. Furthermore, the Nordic countries did not believe that the division of responsibilities between the Department of Development Support and Management Services and the operational funds and programmes was sufficiently clear. They wondered whether the division had been made simply according to the fields in which the Department and the funds and programmes operated or whether the intention was perhaps that the Department should develop capacities for post-conflict peace-building, while the funds and programmes would concentrate on long-term development cooperation.

31. Apart from the question of the transfer of OPS, the Nordic countries believed that the decision to set up three new departments in the place of the Department of Economic and Social Development was a reasonable one. The new structure should make it possible to resist the tendency of various elements of the Organization to develop work programmes in isolation from each other, often

(Mr. Breitenstein, Finland)

leading to duplication as well as the tendency for the Organization to create new secretariat entities whenever new programmes were established.

32. With respect to the transfer of several units to and from Headquarters, more information on the rationale behind the proposals put forward in the revised estimates was needed. What needed to be done now was to make sure that the transition proceeded as smoothly as possible; an evaluation should be carried out in one or two years.

33. While the Nordic countries were encouraged that the Secretary-General had been able to stay within existing resources - which was in keeping with the main purpose of the restructuring process - they believed, as the Advisory Committee did, that the financial impact of the operation should be fully disclosed.

34. As the Secretary-General indicated in paragraph 39 of the revised estimates, reporting on development issues should be reformed. There was a need for consolidated reports, instead of the myriads of publications from which it was difficult and time-consuming to discern the essence.

35. In regard to decentralization - which would be a main issue during the next stage of the reform process - the Nordic countries looked forward to the proposals that the Secretary-General would make in the framework of the programme budget for the biennium 1994-1995. Experience had shown that it was important to hold informal consultations on the matter before taking any decisions.

36. In the political sector, the Nordic countries attached great importance at the current stage to the administration and financing of peace-keeping operations. The growth in the personnel required for those operations - from 15,000 to more than 50,000 people - meant that it was impossible to conduct such operations in the same manner as before. Adjustments needed to be made in structures, manpower and working methods as soon as possible in order to keep pace with the increasing workload. It was no longer possible to prepare peace-keeping budgets over several months. Budgeting methods should be reviewed critically and changed as necessary. The Secretary-General and Member States should also do their utmost, either through redeployment or secondment of personnel, to strengthen the capacity for dealing with various aspects of peace-keeping operations. The Secretary-General should address such issues as a matter of urgency.

37. The main part of the restructuring of the Secretariat presented in the revised estimates would only bear fruit if internal audit, inspection and evaluation mechanisms were strengthened. The reduction in the number of high-level posts had clarified the command structure. However, the abolition and classification of posts should be based on functional analysis of the importance and responsibilities of any given job. A case in point concerned the most senior officials of the Department of Administration and Management. The Nordic countries agreed with the Advisory Committee that decisions concerning high-level posts in the Department should be deferred to the forty-eighth session of the General Assembly. It might also be useful to consider establishing objective classification criteria for high-level posts. Lastly, the creation of a D-3 grade could have implications for the current system.

(Mr. Breitenstein, Finland)

38. With regard to the post of Director of the International Trade Centre (ITC), the Nordic countries, being among the main donors to the Centre, wished to draw attention to the fact that, with no decision having been taken for over a year, the situation thus created had already had serious consequences for the work of ITC, and hence for the developing countries. The Nordic countries considered it absolutely crucial that the General Assembly and GATT should take an urgent decision on that issue.

39. While the Organization's structures were being streamlined to a great extent, the reform process should also permit improvements in the working methods of each individual staff member, and in performance evaluation and career development. Moreover, staff remuneration should correspond more closely to the amount of work done and the level of responsibility assumed. The recruitment freeze should be lifted, not in order to recruit indiscriminately, but in order to make rapid offers of posts to the candidates selected on the basis of the recruitment examinations.

40. The reform process should be extended to field operations and structures, and ultimately to the specialized agencies. The Nordic countries looked forward to the Secretary-General's further proposals on those issues.

41. Lastly, needless to say, a secure financial basis was crucial for the survival of the United Nations as a credible international organization, and any reform which it undertook would only succeed if all Member States paid their assessed contributions in full and on time.

42. Mr. HOHENFELLNER (Austria) said that his Government had pledged its full cooperation with the Secretary-General concerning the restructuring of the United Nations Secretariat with a view to enhancing its efficiency, and that it would continue to do so.

43. As the current phase of the restructuring involved the creation of three new departments in New York and the transfer of 771 posts between four different duty stations, it was essential to assess accurately all the implications of the changes proposed. However, the Austrian delegation, in common with many other delegations and the Advisory Committee, regretted that the document under consideration did not provide sufficient explanation of the programmatic impact of the restructuring, as requested in General Assembly resolutions 46/232 and 47/212. In particular, the transfers of activities should be justified more convincingly.

44. The Austrian delegation had serious doubts with regard to the incorporation of social activities into two of the three new economic departments. Being thus grouped with economic and environmental matters, they were likely to be deprived of any independent articulation, which could raise questions with regard to the promotion of social issues, to which the reform of the United Nations in 1987 was to draw attention by entrusting them to a centre with a separate identity from that of the economic sector, namely the Centre for Social Development and Humanitarian Affairs in Vienna. The abolition of the Centre and the transfer to New York of a large number of its posts might have negative consequences for the preparations for significant events, such as the International Year of the Family in 1994, the Fourth World Conference on Women and the World Summit for Social Development in 1995. For its part, the Austrian delegation remained

(Mr. Hohenfellner, Austria)

convinced that a focal point for coordinating United Nations activities in the social area should be located in Vienna.

45. The formal commitment of the Secretary-General to maintain the status of Vienna as a main headquarters centre was of overriding importance to the Austrian delegation. Moreover, the 16 posts connected with the transfer to Vienna of the Outer Space Affairs Division were no compensation for the 59 posts to be withdrawn from Vienna. Two United Nations conferences on outer space had already been held in Vienna, and the Committee on the Peaceful Uses of Outer Space had also held three sessions there. Many delegations had underlined the role played by Austria in chairing that Committee since its origin. The Austrian delegation stated that it regarded that redeployment as the first stage of the transfer to Vienna of activities equivalent to all those to be transferred to New York. Its approval of restructuring proposals was subject to that being carried out.

46. In addition, the Outer Space Affairs Division was so small that the Secretary-General should take steps to ensure adequate use of the office space in Vienna offered at no cost to the United Nations. Austria thus looked forward to additional proposals from the Secretary-General regarding activities that could benefit from a relocation to Vienna, which he intended to submit in the next programme budget. He should present a comprehensive view of all transfers of activities from and to Vienna. That said, Austria supported the Secretary-General's intention to decentralize activities.

47. The Advisory Committee pointed out that the financial data of the revised budget estimates were not comparable with the data in the programme budget approved by the General Assembly. As a result, Member States were unable to evaluate the financial implications of the current phase of restructuring. It appeared, however, to involve substantial costs, since the savings stemmed from the reduction of high-level posts during that first phase. His delegation therefore looked forward to receiving detailed information on the costs of the restructuring, including those for additional office space arising from transfers of posts, as requested by the Advisory Committee in paragraph 25 of its report (A/47/7/Add.15).

48. In that connection, it should be said that Vienna was the only headquarters duty station where the United Nations was being offered office space at a symbolic rate of 10 cents a year. By fully utilizing the Vienna Office, the United Nations would save rental costs. During a financial crisis, the cost element of transferring activities and staff had to be borne in mind.

49. Mr. BABA (Uganda) fully supported the statements made by the Chairman of the Group of 77 during the 59th meeting on the issues before the Committee. The question remained as to whether the existing structures could carry out the mandates legislated by Member States, and if so, whether reform was necessary; as to why there had been a second phase of restructuring so soon after the first; as to whether any other phases were in the offing; and as to whether, in the restructuring, clear lines should be drawn to demarcate prerogatives or whether harmony should be sought.

(Mr. Baba, Uganda)

50. Resolutions 41/213 and 46/232 gave clear signals to the Secretary-General that he should carry out whatever restructuring there was in close consultation with Member States. In that respect, Uganda wished to associate itself with the views expressed by the Advisory Committee in paragraph 6 of its report (A/47/7/Add.15). His delegation also wished to see a clear vision of where the reforms were leading the Organization. The report of the Secretary-General was lacking in that regard. Uganda therefore looked forward to the moment when the overall restructuring plan would be reviewed and to an early indication of the time-frame for the entire implementation of the reforms before any further restructuring phases were embarked upon.

51. There was an apparent lack of clarity in the Secretary-General's intentions especially as concerned the items treated in paragraphs 40 (a) and 100 (iv) and (v) of his report, in which the least developed countries were grouped together with those with economies in transition. That could be construed as a way of putting the first on an equal footing with the second, clearly inappropriate even at face value. Member States should be consulted over important political choices of that nature, and, if necessary, they would state their opinion after deliberation. To return to the issues specifically treated in the paragraphs cited, the texts defining the missions were clear, and the Secretary-General would undoubtedly adhere scrupulously to them.

52. Given the lack of comprehensive information on the allocation of subprogrammes and resources shared among departments, it was difficult to make any substantive comments on the revised estimates. The treatment of the United Nations New Agenda for the Development of Africa and the Programme of Action for the Least Developed Countries for the 1990s was outstanding. When the General Assembly had adopted the New Agenda, it had provided for strengthening of the Department of Development Support and Management Services responsible for its implementation. That would be desirable since it involved a global programme requiring system-wide coordination. The Agenda acquired that specific status because of the situation prevailing in a continent which had placed high hopes on it.

53. With regard to United Nations unified presence and approach at the country level, Uganda fully supported the opinion expressed by the Advisory Committee in paragraph 23 of its report. In 1993, during the United Nations triennial policy review of development operations, the idea of creating a United Nations representative post was flatly rejected. It would be interesting to know the source of the support which increasingly that project was said to enjoy.

54. The Secretary-General forecast savings of $263,400 over the amounts approved in December 1992. The revised forecasts did not, however, indicate all the costs of the restructuring exercise. There were also potential costs to which the Advisory Committee had alluded in paragraphs 25 to 27 of its report.

55. With the transfer of Secretariat officials to UNCTAD, concern arose over knowing how the legislative bodies responsible for science and technology and transnational corporations would be able to work in New York, since their support services would be located in Geneva, and, even more to the point, over knowing what the officials relocated to Geneva could do that they could not do in New York. His delegation supported everything the Secretary-General did to rationalize the operations of the United Nations and its bodies but hoped that

(Mr. Baba, Uganda)

the Secretary-General would proceed in an integrated and coherent manner. The way in which departments responsible for science and technology were currently being handled left much to be desired.

56. With regard to the Secretary-General's proposal to integrate the Office for Support Services for UNDP projects into the new Department of Development Support and Management Services, his delegation would appreciate clarification as to the degree of autonomy envisaged since there would, naturally, need to be clear delineation between the new Department and UNDP as to the Office's responsibility. If UNDP was responsible for supplying administrative support and its Governing Council retained oversight rights, it would be legitimate to wonder what role would be left for the Department or, more to the point, how the Office's autonomy would be manifested.

57. The Secretary-General requested the retention of some posts and only a temporary redeployment of others. He hoped that Member States would be consulted before these changes were finalized. The concerns of his delegation coincided with those expressed by the Advisory Committee in paragraph 41 of its report on the Department of Administration and Management. In all cases, the level of responsibility should correspond to the level of authority. His delegation was prepared to review any other measure which would enhance these levels.

58. It appeared that the restructuring exercise was dominated by the trend towards making elimination of high-level posts a solution to the problem of staff reduction. His delegation did not support the reason given for downgrading the post of Head of the International Trade Centre, an initiative which in the current international business climate hardly seemed rational. Equally disturbing was the decision to abolish the post of Executive Director of the United Nations Centre for Human Settlements (Habitat) and the proposal to merge the activities of the Centre with those of the United Nations Environment Programme. Lest they compromise the programmes on human settlements, in which the declarations following the United Nations Conference on Environment and Development had renewed interest, his delegation did not see fit to support the proposed changes.

59. It was noted that so far almost all suppression of posts and redeployment of resources had touched mainly on areas of vital interest to developing countries: International Trade Centre, Centre for Human Settlements, Centre on Transnational Corporations, Centre for Science and Technology. It was important, for that reason, to avoid creating the impression that reform had been designed to marginalize the issues of interest to the developing countries. The new face of the United Nations has not yet been seen by the general public. Downgrading the posts or redirecting resources related to these areas was not a way to enhance that image.

60. Mr. KARBUCZKY (Hungary) said that the Secretary-General had a major role to play in the restructuring of the Organization, a task which continued to enjoy his delegation's support. Member States, furthermore, had clearly indicated that they wished to exercise their right to define the Organization's future. Bearing that in mind, his delegation had been puzzled when presented with a radical reorganization of the Secretariat's structure in the middle of a regular budget cycle. After the Secretary-General's note (A/47/753), it had seemed

(Mr. Karbuczky, Hungary)

logical to move to a substantive discussion in the intergovernmental forums but apparently the opportunity had been lost. Contributions which high-level groups of experts could make, assuming that they were welcome in this type of operation, must not be substituted for intergovernmental decisions. It would have been easier, and more timely also, to implement the second phase of the reform at the same time as the new regular budget in 1994. It was still possible to hope that Member States would be able, at least after the fact, to consider what would happen during the second phase.

61. Since the proposals made were transsectoral, it was difficult to bring out clearly and fully the "synergies" and "cross-fertilization" and to measure the "critical mass" of resources often referred to when implementing certain missions. It could be hoped, however, that, with time, some of the structural changes would permit a closer approximation to the ideal of a more efficient organization. From that perspective, his delegation was prepared to subscribe to general policy considerations leading to the creation of three new departments although, like the Advisory Committee, it felt that the transfer of posts and functions between duty stations should be more fully justified.

62. The Secretary-General's initiative to concentrate United Nations technical assistance to meet the requirements of, among others, countries in transition was most welcome. Still, it was not certain that the initiative must be part of an integrated approach to development whose superiority had not been proved; as the proverb stated: "He who grabs for too much, catches fish". Perhaps the Organization's limited resources did not allow it to achieve such ambitious goals.

63. Having quickly reviewed the different issues raised by the proposed restructuring, he noted that paragraphs 19 to 20 of the Advisory Committee's report echoed his own concerns over the transfer of officials to Vienna. It was legitimate to fear that the activities of the Centre for Social Development and Humanitarian Affairs, well focused up to that point, would be diluted in the proposed new structure. The competent intergovernmental bodies should discuss this in detail. Another point of concern was that the human rights issues relating to the advancement of women would be completely submerged in the abyss of economic development policy. Moreover, his delegation wished to have clarification on the modalities and legislative texts which would allow the Department of Economic and Social Information and Policy Analysis to "link its activities with early warning capabilities being developed in the political and humanitarian sectors of the Organization", as stated in paragraph 37 of the Secretary-General's report (A/C.5/47/88). In paragraph 40 (b) of the same document, the issue had been raised as to which financial management functions the Controller could delegate to the Department of Development Support and Management Services. But exactly which functions were meant? Lastly, his delegation wondered whether the eight posts referred to in paragraph 129 were still needed and whether some of them could be offered for the redeployment that seemed justified by the enormous workload of the liaison office of the Centre for Human Rights in New York.

64. With regard to the Secretary-General's plan to introduce a D-3 level for career professionals, equivalent to the ASG level (para. 14), it was not easy to understand the distinction between political and career appointments,

(Mr. Karbuczky, Hungary)

particularly in a world Organization whose political character was formed by the collective will of its 180 Member States. The Secretary-General had the right to appoint the highest-level staff, but that should not preclude career professionals from occupying Under-Secretary-General or Assistant Secretary-General posts. Further justification and clarification of the creation of the D-3 level was needed, and above all an explanation of how the proliferation of such posts could be prevented. The Advisory Committee made very appropriate observations on that question in paragraphs 44 to 48 of its report.

65. The posts of the officers in charge of finances and of the personnel policies of the Organization should be protected from seasonal changes in the upper echelons since they were highly technical and should be filled on the basis of the expertise of the candidates. The current situation, where crucial executive posts in the Department of Administration and Management were classified at the D-2 level, was unsatisfactory in view of the level of responsibility and authority those posts entailed. His delegation had supported the reduction in the number of high-level posts recommended by the "Group of 18" (Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations) and welcomed the reductions proposed by the Secretary-General during the first part of the forty-seventh session. It feared, however, that the creation of new high-level posts elsewhere, offset by reductions exclusively in the Department of Administration and Management, would create functional problems. When the Committee expressed its will, in its resolutions and decisions, it addressed the Secretary-General, but in practical terms it was addressing Professionals at the D-2 level vis-à-vis other departments and offices. The implementation of the Committee's mandates would therefore be jeopardized if there was a breach in the chain of command, as was clearly the case in the Department of Administration and Management. The Advisory Committee's recommendation in paragraph 42 of its report (A/47/7/Add.15) would effectively restore the normal chain of command.

66. Mr. JU Kuilin (China) said that the structural adjustment and redistribution of functions in the United Nations reform process was unprecedented in the history of the United Nations. Its results would directly affect the implementation of programmes and the very future of the Organization. In his view, it was highly necessary to reform the structure of the Organization, improve its management and increase the efficiency of its administrative and financial functioning. The Chairman of the Group of 77, in the excellent statement he had made on the subject on behalf of that Group, had raised a number of questions which were of deep concern to his delegation as well.

67. In his delegation's view, United Nations reform required full consultations with all the Member States, the Secretariat and the relevant intergovernmental organizations. While the Secretary-General, as the chief administrator of the Organization, was responsible for the reform of the Secretariat, it should be carried out on the basis of the processes that were under way in various intergovernmental organizations. The Second and Third Committees were currently discussing the reform of the economic and social fields. Until those deliberations were completed, it would be inappropriate, and probably counterproductive, to undertake the reform of programmes in the corresponding departments of the Secretariat.

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68. While the economic gap between North and South and between rich and poor was widening, the only way of genuinely achieving the objectives of reform was to accord greater importance to the issues of economic development, and especially to the revitalization and growth of the developing countries. His delegation wished to emphasize that the five priority programmes of the medium-term plan already approved by the General Assembly (peace and security, economic development of developing countries, African economic recovery and development, environment and drug control) should be fully reflected throughout the reform process. With regard to the specific measures to be taken to better achieve those objectives, the opinions of the Member States, and especially of the developing countries, should first be sought. As had been pointed out by the Chairman of the Group of 77 at the previous meeting, the full and effective implementation of the programmes agreed on by the General Assembly must be the criterion for assessing the Secretary-General's proposals for reform.

69. With regard to structural reforms, his delegation wished to point out that the specialized technical departments and agencies, such as those concerned with transnational corporations or science and technology for development, had played an active and useful role for many years in promoting development and the technical progress of developing countries, and were widely acclaimed by those countries. The proposal to transfer six posts to Geneva from the United Nations Centre for Science and Technology for Development and to leave the other four posts behind at Headquarters in New York might adversely affect the implementation of the programmes adopted by the General Assembly to strengthen the scientific capabilities of developing countries. Another example was the World Food Council. Its location in Rome was very convenient for consultations and management in its field of work, and its role was likewise appreciated by the developing countries. If those agencies were to be reorganized, moved or merged, their role might be adversely affected, and that possibility was of concern to his delegation.

70. On the issues of decentralization and United Nations regional coordinators, his delegation shared the views expressed by the Chairman of the Group of 77. If programme activities were divided among the regions and coordination was not satisfactory, each might go its own way, and that would adversely affect the implementation of programme activities at the global level. As noted by the Group of 77, the proposals for the decentralization of activities concerning natural resources, energy and water must take into account the need to maintain an updated world information service at Headquarters. As to the designation of regional United Nations coordinators mentioned by the Secretary-General in his report, that reform was very political in nature, and there must be further consultation of all the Member States.

71. On the issue of general budgetary questions, his delegation believed that the relocation of some agencies and the redeployment of staff members would definitely lead to an increase in expenditure. Detailed analyses and calculations were therefore required. The Secretary-General also referred to a number of reforms of budgetary procedures. Some decisions of principle had already been taken in the United Nations. According to the normal procedure, substantive committees like the Second and Third Committees should first consider the issues concerned and make specific recommendations; the Fifth

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Committee would then review the financial aspects. It was important to maintain the normal procedure in budgetary matters; his delegation wished to express its concern over that issue.

72. On the question of reducing the number of high-level posts and strengthening the administration, his delegation believed that that process should be conducted in a rational fashion, according to actual requirements. As pointed out by the Japanese delegation at the 59th meeting, some of the high-level posts, particularly posts in the financial, budgetary and personnel departments, should be retained. Those two departments were of the greatest importance in the functioning of the United Nations, and many Member States wished to strengthen them further. The posts of Controller and head of the Office of Human Resources Management should therefore be maintained at the Assistant Secretary-General level so as to facilitate financial resources management and personnel administration.

73. Lastly, his delegation emphasized that there should be further consultations among Member States on specific reform measures and elements. For its part, it would participate in the deliberations, in the hope that the reform efforts of the United Nations would achieve fruitful results.

The meeting rose at 12.40 p.m.